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Public Service Commission

October 20, 2014

Beth Keating
215 South Monroe Street
Suite 601
Tallahassee, FL 32301

STAFF'S FIRST DATA REQUEST

RE: Docket No. 140172-GU – Petition for approval of a compressed natural gas home refueling energy conservation program for residential users, by Associated Gas Distributors of Florida.

Dear Ms. Keating,

By this letter, the Commission staff requests that Associated Gas Distributors of Florida (AGDF or Utility) provide responses to the following data requests.

1. On page 3 of its petition, AGDF states that Florida has already implemented progressive policies to advance Compressed Natural Gas (CNG) and liquefied natural gas (LNG) vehicles. 1) Please provide an explanation which illustrates if these same policies can be achieved through other forums besides energy conservation cost recovery programs. 2) Can such policies be achieved through pilot programs and/or special contracts?
2. On page 3 of its petition, AGDF states that the proposed CNG Refueling Program is consistent with the Commission's own energy efficiency policies and Commission orders recognizing the Legislature's desire to promote CNG development, specifically in Commission Order Nos. PSC-13-0398-TRF-GU and PSC-13-0395-TRF-GU. Are the companies seeking cost recovery from their ratepayers through the Energy Conservation Cost Recovery Clause in the programs mentioned in the Orders above?
3. On page 4 of its petition, AGDF states that the Freight Mobility and Trade Plan created by the Legislature specifies that policies and investments should be made to promote, among other things, the increasing implementation of CNG policies to reduce transportation costs for businesses and residents. Please explain in detail and provide any analytical data to support this assertion. Furthermore, please identify any other statute(s) or rule(s) that exist which describes the Legislature's intent regarding the use and promotion of CNG as a conservation program.
4. The AGDF states that initially, the company believes participation in the proposed CNG Home Refueling Conservation Program for residential customers will be fairly low.

Please complete the following table, in Excel format, to illustrate customer participation, by utility, in the proposed CNG Home Refueling Program:

Projected Participation					
Company	2015	2016	2017	2018	2019
Florida City Gas					
Florida Public Utilities Company					
Chesapeake Utilities Corporation					
Indiantown Gas System					
Sebring Gas System					
Total Participation					

5. Have the AGDF companies considered offering the proposed program as a pilot or demonstration program until the demand for such a program would increase?
6. Please complete a chart in Excel format, using the following scenarios to illustrate the potential residential bill impact of the proposed programs under the following scenarios:
 - a) Participation assumed in the proposed petition
 - b) 25 participants per year
 - c) 50 participants per year
 - d) 100 participants per year

Residential Bill Impact					
Company	2015	2016	2017	2018	2019
Florida City Gas					
Florida Public Utilities Company					
Chesapeake Utilities Corporation					
Indiantown Gas System					
Sebring Gas System					

7. Please describe the types and amounts of administrative costs the participating utilities expect to experience as a result of the proposed CNG Home Refueling Energy Conservation Program.
8. Please complete a chart, in Excel format to illustrate the impact on program costs under the following scenarios:
 - a) Participation assumed in the proposed petition
 - b) 25 participants per year
 - c) 50 participants per year
 - d) 100 participants per year

CNG Home Refueling Program Program Costs - Admin					
Company	2015	2016	2017	2018	2019
Florida City Gas					
Florida Public Utilities Company					
Chesapeake Utilities Corporation					
Indiantown Gas System					
Sebring Gas System					
Total Program Costs					
CNG Home Refueling Program Costs - Incentives					
Company	2015	2016	2017	2018	2019
Florida City Gas					
Florida Public Utilities Company					
Chesapeake Utilities Corporation					
Indiantown Gas System					
Sebring Gas System					
Total Program Costs					
CNG Home Refueling Program Costs -Advertising					
Company	2015	2016	2017	2018	2019
Florida City Gas					
Florida Public Utilities Company					
Chesapeake Utilities Corporation					
Indiantown Gas System					
Sebring Gas System					
Total Program Costs					
CNG Home Refueling Program Costs - Total					
Company	2015	2016	2017	2018	2019
Florida City Gas					
Florida Public Utilities Company					
Chesapeake Utilities Company					
Indiantown Gas System					
Sebring Gas System					
Total Program Costs					

- On page 5 of the petition, AGDF states that the increased direct use of natural gas can be expected to reduce, over time, the total quantities of natural gas used in Florida. Please provide a spreadsheet in Excel format which illustrates that based on the projected usage of natural gas from the proposed CNG program, the increased direct use of natural gas that can be expected to reduce the total quantities of natural gas used.

10. On page 6 of the petition AGDF states that the anticipated low participation rate in the proposed residential CNG program does not reduce the “value add” of the proposed program. Please explain in detail and provide any analytical data to support this assertion.
13. Is AGDF aware of any instances in which the Commission allowed a utility to offer a program as a pilot program to gauge insight on participation and cost-effectiveness before such program becomes an approved conservation program? If so, please provide any dockets or orders in which such instances have occurred.
14. Is AGDF aware of any utilities in the nation that offer a conservation program for CNG 1) residential fueling stations? 2) Commercial fueling stations? If so please describe such programs.
15. On page 6 of the petition, the AGDF states that deployment of CNG vehicles at the consumer level has been inhibited by limited fueling options. Please explain in detail and provide any analytical data to support this assertion.
16. Is AGDF aware of any Florida electric utilities that provide conservation rebates for electric-powered motor vehicles?
17. Please refer to page 7 of the AGDF petition. Why does the company believe an increase in the number of residential CNG fueling stations would increase the number of CNG vehicles purchased or available in the market?
18. Is AGDF aware of the current number of CNG vehicles currently used by its 1) residential customers? 2) Commercial/Industrial customers?
19. What are the current federal tax incentives available to individuals who purchase alternate fueling option vehicles (gas, electric) and how are such incentives integrated or otherwise factored into the proposed CNG program? If none currently exist, what were the past incentives?
20. Did AGDF include any federal incentives for the electric vehicle in its Participant’s Test? If so, what does the inclusion of a federal tax credit do to the Participant’s Test Score? Did AGDF use current or past federal tax incentive information in its G-RIM analysis? If the company did not use any federal tax credits in the analyses, please explain.
21. How does the AGDF expect to address any potential safety issues with the installation and maintenance of the compressed natural gas vehicle module?
22. Who will install the modules? Who will perform the maintenance on the modules?
23. Does AGDF have an opinion on the probability that Eaton Corporation, based out of Cleveland, Ohio, will fulfill its expectation of lowering the costs of a CNG home compressor from its current \$5,000 level to \$1,000 within a reasonable timeframe of Eaton’s stated December 2015 goal?

24. Eaton Corporation plans to make CNG home compressors by December 2015 that would have a production cost of \$500 or slightly more and a selling price close to \$1,000. In this light of this figure, would \$1,000 be a more appropriate number for a rebate instead of up to \$4,500?
25. On page 5 of the petition, AGDF states that gas conservation programs make a substantive contribution toward achieving statewide carbon reduction, because natural gas appliances reduce source-based electric generation carbon emissions. Please provide any rules, orders, data, calculations or other evidence regarding statewide carbon reduction requirements that support or refute AGDF's claim.

Please file the original and five copies of the requested information by Monday, November 10, 2014, with Carlotta Stauffer, Commission Clerk, Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399-0850. Please feel free to call me at (850) 413-6076 if you have any questions.

Sincerely,

/s/ Michael Lawson

Michael Lawson
Senior Attorney

MTL/dml

cc: Office of Commission Clerk